

**D40W01**  
**Department of Planning**

***Executive Summary***

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The Maryland Department of Planning (MDP) provides information and services that aid State and local governments and nonprofit organizations in supporting desirable growth in Maryland and protecting and interpreting historic resources.

***Operating Budget Data***

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(\$ in Thousands)

	<u>FY 18</u> <u>Actual</u>	<u>FY 19</u> <u>Working</u>	<u>FY 20</u> <u>Allowance</u>	<u>FY 19-20</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$11,822	\$12,280	\$19,434	\$7,154	58.3%
Adjustments	0	68	306	238	
<b>Adjusted General Fund</b>	<b>\$11,822</b>	<b>\$12,348</b>	<b>\$19,740</b>	<b>\$7,392</b>	<b>59.9%</b>
Special Fund	3,893	7,185	7,221	36	0.5%
Adjustments	0	5	17	13	
<b>Adjusted Special Fund</b>	<b>\$3,893</b>	<b>\$7,190</b>	<b>\$7,238</b>	<b>\$48</b>	<b>0.7%</b>
Federal Fund	1,233	1,495	882	-613	-41.0%
Adjustments	0	6	22	17	
<b>Adjusted Federal Fund</b>	<b>\$1,233</b>	<b>\$1,501</b>	<b>\$904</b>	<b>-\$596</b>	<b>-39.7%</b>
Reimbursable Fund	1,133	1,205	1,143	-62	-5.2%
Adjustments	0	0	0	0	
<b>Adjusted Reimbursable Fund</b>	<b>\$1,133</b>	<b>\$1,205</b>	<b>\$1,143</b>	<b>-\$62</b>	<b>-5.2%</b>
<b>Adjusted Grand Total</b>	<b>\$18,080</b>	<b>\$22,243</b>	<b>\$29,025</b>	<b>\$6,782</b>	<b>30.5%</b>

Note: The fiscal 2019 appropriation includes deficiencies, a one-time \$500 bonus, and general salary increases. The fiscal 2020 allowance includes general salary increases.

Note: Numbers may not sum to total due to rounding.

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- The overall adjusted change in the MDP fiscal 2020 allowance is an increase of \$6,781,509, or 30.5%. The major change is an increase of \$5.0 million for the 2020 Census Grant Program per Chapter 18 of 2018 (2020 Census Grant Program – Establishment and Funding).

***Personnel Data***

	<b><u>FY 18</u></b> <b><u>Actual</u></b>	<b><u>FY 19</u></b> <b><u>Working</u></b>	<b><u>FY 20</u></b> <b><u>Allowance</u></b>	<b><u>FY 19-20</u></b> <b><u>Change</u></b>
Regular Positions	129.00	129.00	130.00	1.00
Contractual FTEs	<u>13.23</u>	<u>20.53</u>	<u>22.06</u>	<u>1.53</u>
<b>Total Personnel</b>	<b>142.23</b>	<b>149.53</b>	<b>152.06</b>	<b>2.53</b>

***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	8.60	6.77%
Positions and Percentage Vacant as of 12/31/18	19.00	14.73%

- Overall, regular positions have increased from 129 in the fiscal 2018 actual to 130 in the fiscal 2020 allowance. One new planner III position was added in the Planning Coordination program to work with the Interagency Commission on School Construction. In addition, 1 administrator III position was transferred to the Department of Juvenile Services and 1 designated administrative manager IV position was transferred to MDP in exchange, resulting in no net change in MDP's position count. This position is being used as the Census Director.
- MDP has 19 vacant positions as of December 31, 2018. Five positions have been vacant for more than a year. The status of these 5 positions is as follows: planner V (Planning Coordination program) – actively recruiting; administrator IV (Research Survey and Registration program) – actively recruiting; planner IV (Planning Data and Research program) – to be filled in February 2019; administrative aide (Museum Services program) – reclassifying; and program manager III (Museum Services program) – actively recruiting.
- Contractual full-time equivalents decrease by a net of 1.53 in the fiscal 2020 allowance.
- The MDP turnover rate has been increased from 5.03% to 6.77% in the fiscal 2020 allowance, reflecting a shift from 6.49 necessary vacancies to 8.60 vacancies. This turnover is currently exceeded given the 19 vacancies, or 14.73% vacancy rate, as of December 31, 2018.

## ***Key Observations***

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- ***Property Map Products Show Increase in “Finder Online” Views:*** Of MDP’s two property map products, “Finder Online” has more views online than “Finder Quantum” has downloads of the customized geographic information system software.
- ***Acres Protected Increase, While Development Inside Priority Funding Areas Shows No Trend:*** There is an increasing trend in the number of acres protected and no real trend for the percent of Statewide acreage and housing units developed inside priority funding areas. However, MDP notes that methodology changes make it more difficult to discern the trends in the data.
- ***Maryland Heritage Areas Authority (MHAA) Grants Funded Increase Substantially in Fiscal 2019:*** Fiscal 2019 saw the greatest number and amount of MHAA grants funded between fiscal 2008 and 2019 due to the additional \$3.0 million in transfer tax funding made available by Chapter 660 and 661 of 2017 (Program Open Space – Authorized Transfer to the Maryland Heritage Areas Authority Financing Fund – Increase).
- ***Maryland Heritage Areas Spending Plan and Economic Impact Study:*** The MHAA Financing Fund spending plan was due with the fiscal 2020 budget submission but was not received in time for inclusion in this analysis. MDP has completed an economic impact study of 12 of Maryland’s 13 certified heritage areas using the IMPLAN input-output model in November 2017; the study was released in December 2018. The Request for Proposals (RFP) for a follow-up program impact study was expected to be sent out in February 2019. **The Department of Legislative Services (DLS) recommends that MDP comment on why the report on a MHAA Financing Fund spending plan was not provided with the fiscal 2020 budget submission. In addition, DLS recommends that MDP comment on the requirements for and status of the RFP for a program and economic impact study for the Maryland Heritage Areas.**
- ***Reinvest Maryland Will Be an Integral Part of the State Development Plan but Has No Metrics:*** MDP worked with State agencies, local governments, private industry, and the general public to develop the State’s first comprehensive development plan, known as PlanMaryland. Executive Order 01.01.2017.18 – State Development Plan rescinded Executive Order 01.01.2011.22 – PlanMaryland. The new State development plan is called A Better Maryland, and two rounds of listening sessions regarding its priority rankings have been held. Reinvest Maryland is a set of recommendations to accelerate infill, redevelopment, and revitalization and will be an integral part of A Better Maryland, but no formal metrics have been developed for it. **DLS recommends that MDP comment on what metrics are appropriate for measuring reinvestment progress, whether the number of vacant parcels within previously built areas, current zoning, and tax base information could be used to derive baselines for infill, redevelopment, and revitalization and what actions the State will take to influence these metrics.**

- ***2020 Census Outreach Efforts Well-funded in Fiscal 2020:*** The decennial process of doing a complete census of the U.S. population – 2020 Census – is a little more than a year away with forms to be filled out either in paper form or online and submitted on April 1, 2020. MDP’s fiscal 2020 funding for the 2020 Census is focused on the 2020 Census Grant Program established by Chapter 18 and MDP’s own census outreach efforts. The 2020 Census Grant Program was created to issue matching grants to local governments and nonprofit organizations and is budgeted at \$5.0 million in fiscal 2020, while MDP’s outreach program is budgeted at \$1.0 million in general funds. **DLS recommends that MDP comment on the synergy between the 2020 Census Grant Program dedicated to matching grants for targeted efforts by nonprofits and local governments and its own statewide census outreach efforts.**
- ***Staffing Shortage Shifts Maryland Historical Trust’s (MHT) Historic Easement Program Policies:*** The 2018 *Joint Chairmen’s Report* included a request for a report from MDP (completed by MHT), the Department of Budget and Management, and preservation advocates identifying a sustainable strategy for the long-term administration of historic preservation easement programs. The submitted report reflects that MHT does not have the staffing to adequately provide support to the number of easements currently scheduled to be received by law or policy and, thus, MHT has shifted from the requirement of permanent historic easements to term easements. **DLS recommends that MHT comment on whether the shift from perpetual to term historic easements, along with other historic preservation tools, allows Maryland to secure its heritage and if not, then why MHT has not reclassified or transferred existing vacant positions or asked for new positions.**
- ***Several Annual Reports Required in Statute Have Not Been Submitted:*** MDP has not submitted several reports that are required in statute and that inform this analysis. The reports cover smart growth indicators, smart growth implementation, and the Division of Historical and Cultural Programs, which is another term for MHT. **DLS recommends that MDP comment on why these annual reports have not been submitted.**

## **Operating Budget Recommended Actions**

1. Adopt narrative on a census outreach efforts report.

## **Updates**

- ***Non-Capital Grant Program Funding Allocated for Fiscal 2019:*** MDP’s fiscal 2019 working appropriation includes \$300,000 in transfer tax special funds for the Non-Capital Grant Program per authorization in Chapter 10 of 2018 (Budget Reconciliation and Financing Act). Funding of \$200,000 in general funds was provided in fiscal 2018 – the first time funding had been provided since fiscal 2012. The stated purpose of the Non-Capital Grant Program is to identify, document, and preserve buildings, communities, and sites of historical and cultural importance to the State. MDP received more than \$836,000 in requests and awarded the full \$300,000 appropriation.

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**Department of Planning**

***Operating Budget Analysis***

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**Program Description**

The Maryland Department of Planning (MDP) provides information and services that aid State and local governments and nonprofit organizations in supporting desirable growth in Maryland. MDP consists of an Administrative Unit and the programmatic units described as follows.

- ***State Clearinghouse:*** facilitates intergovernmental review and coordinates review of applications for federal and State financial assistance, proposals for direct federal development programs, drafts of environmental impact statements, State plans requiring gubernatorial review, and other actions requiring intergovernmental coordination per the Federal Intergovernmental Cooperation Act.
- ***Planning Data and Research:*** collects, analyzes, and publishes social, economic, and geographic information relating to the State and its political subdivisions; identifies and evaluates development issues in support of smart growth; and prepares reports and studies on specific topics for the Governor and the General Assembly. The program also makes available U.S. Census, American Community Survey, and other U.S. Department of Commerce information to State and local governments and the private sector.
- ***Planning Coordination:*** provides technical services to improve the planning and management capacity of local governments. The program, which includes the Centreville, Cumberland, and Salisbury regional offices, helps local governments with land-use planning and zoning as well as rural and urban design issues.
- ***Management Planning and Educational Outreach:*** provides administrative support for the Division of Historical and Cultural Programs and administers non-capital grants and the Maryland Heritage Areas Authority (MHAA) Program.
- ***Museum Services:*** provides technical assistance to approximately 220 historic and cultural museums and operates the Jefferson Patterson Park and Museum in Calvert County.
- ***Research, Survey, and Registration:*** provides assistance to advance research, documentation, evaluation, and retrieval of information about Maryland's historical and cultural resources through the Maryland Inventory of Historic Properties and National Register of Historic Places. The program also handles nominations to the National Register of Historic Places.
- ***Preservation Services:*** seeks to protect and enhance historical and cultural properties in Maryland through State and federal regulatory reviews, historic preservation easements, and historic rehabilitation tax credits. The program also administers capital loans and grants.

MDP’s mission is to collaborate with State agencies, local governments, and the private sector, providing assistance and data so that each community can shape its future in a way that reflects local values, honors its heritage, and presents opportunities for Maryland to flourish. MDP’s vision is to lead as a premier resource of planning excellence that promotes economic vitality consistent with environmental stewardship, respects local authority, and inspires and supports local vision. MDP’s primary goals are as follows:

- **Goal 1:** Provide efficient State Clearinghouse review of federal, State, and local plans and projects requiring intergovernmental coordination.
- **Goal 2:** Provide timely data and intelligent tools to aid in the implementation of State and local land use, conservation, community enhancement, and business development policies.
- **Goal 3:** Support and enhance the vitality of towns, cities, and rural centers with existing or planned infrastructure.
- **Goal 4:** Encourage economic development by enhancing historical resources and leveraging non-State investment.
- **Goal 5:** Protect and interpret historic resources.

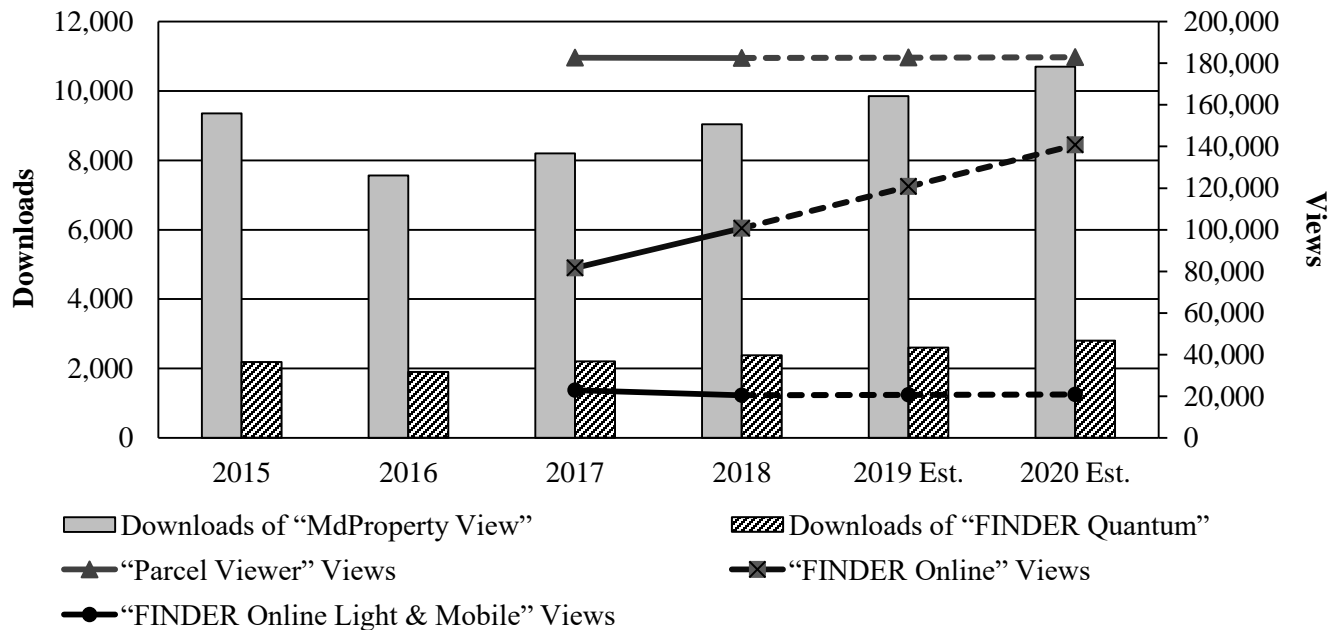
## **Performance Analysis: Managing for Results**

The discussion of the MDP fiscal 2019 Managing for Results (MFR) submission reflects views of MDP’s property map product “Finder Online” increasing, acres protected increasing while development inside priority funding areas showing no trend and MHAA grants awarded increasing substantially in fiscal 2019 due to additional funding being budgeted.

### **1. Property Map Products Show Increase in “Finder Online” Views**

MDP’s second goal is to provide timely data and intelligent tools to aid in the implementation of State and local land use, conservation, community enhancement, and business development policies. The general objective under this goal is to update applications that utilize special data decision support tools for various users. As shown in **Exhibit 1**, MDP has several property map products that display local jurisdiction tax maps – also known as assessments, property, or parcel maps. The main distinction is between tools that are downloaded and those that can be used online. “MdProperty View” is the most comprehensive tool and is experiencing an increase in downloads compared to the more user friendly but less powerful download tool called “Finder Quantum”, which comes with a custom geographic information system called QGIS. However, the number of downloads of these products is dwarfed by the number of views of the online “Parcel Viewer” – designed for real estate agents and other users of Metropolitan Regional Information Systems, Inc. data – and “Finder Online”, which appears to be more user friendly than its downloadable version – “Finder Quantum.” MDP notes that the “Parcel Viewer” views by real estate agents has plateaued because of the saturation by the real estate industry.

**Exhibit 1**  
**Property Map Products**  
**Fiscal 2015-2020 Est.**

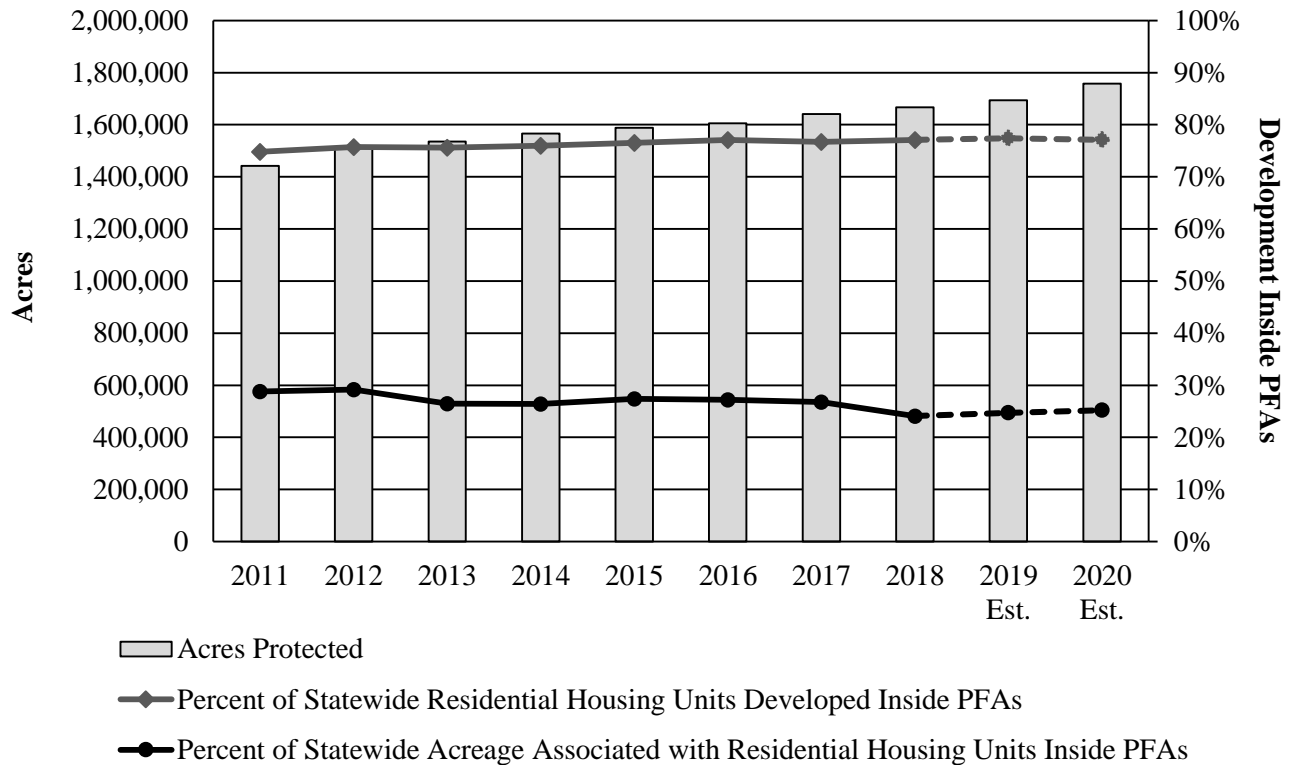


Source: Governor's Fiscal 2020 Budget Books

## 2. Acres Protected Increase, While Development Inside Priority Funding Areas Shows No Trend

MDP's third goal is to support and enhance the vitality of towns, cities, and rural centers with existing or planned infrastructure. Under this goal is the objective to provide local governments with technical assistance to encourage growth that is consistent with State and local policies and to encourage land preservation and conservation. As shown in **Exhibit 2**, there is an increasing trend in the number of acres protected and no real trend for the percent of statewide acreage and housing units developed inside priority funding areas. However, MDP notes that methodology changes make it more difficult to discern the trends in the data. For the protected acres, MDP notes that a portion of the increase between calendar 2016 and 2017 was due to the inclusion of subdivision remainder parcels and forest conservation easements that were not previously considered to be permanently protected despite these acres accumulating over a number of years. In fiscal 2019, the methodology for the statewide acreage and housing units developed inside priority funding areas (PFA) was changed from using parcel-based data to (building) housing unit-based data for measuring residential housing units and acreage inside PFAs because the data is more accurate. However, it is not possible to correct the prior year data, so it is difficult to tell what trends may underlie the data.

**Exhibit 2**  
**Acres Protected and Development Inside Priority Funding Areas**  
**Calendar 2011-2020 Est.**



PFA: priority funding area

Note: The number of acres protected reflects the number of acres under easement or public ownership, excluding military bases, school fields, and tot lots. Residential housing units are defined as being 20 acres or less in size.

Source: Governor's Fiscal 2020 Budget Books

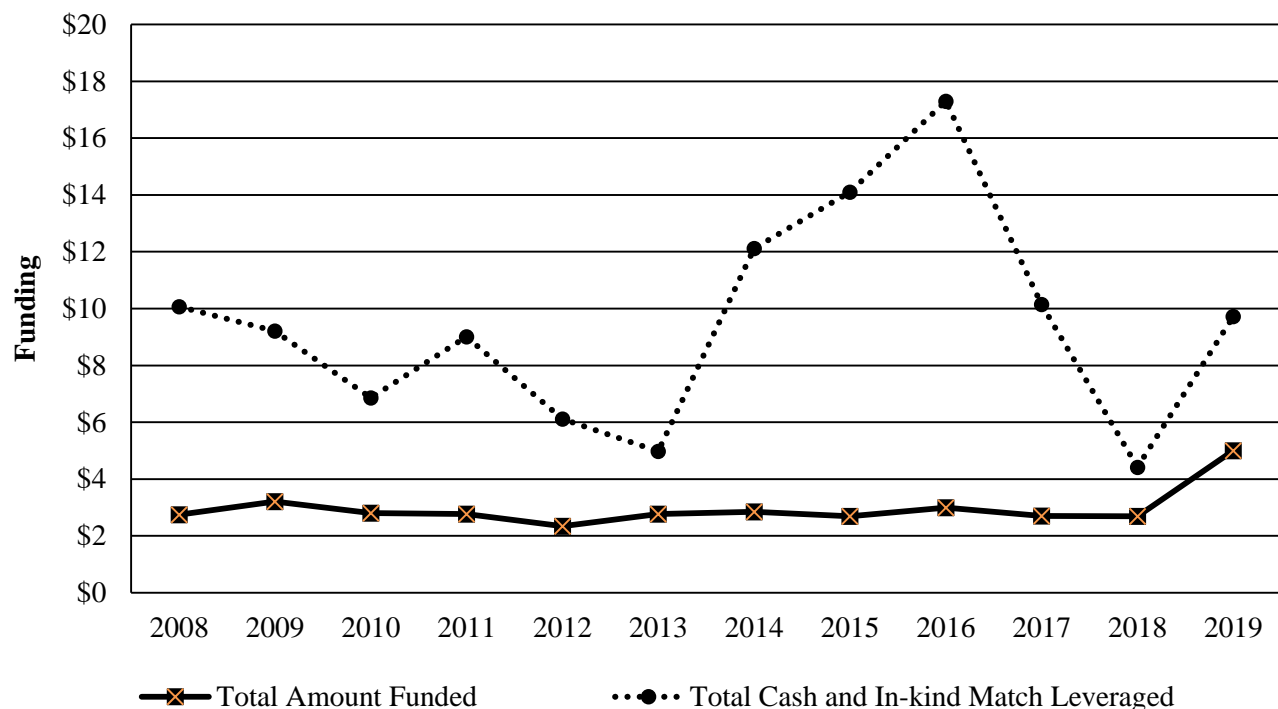
### 3. MHAA Grants Funded Increase Substantially in Fiscal 2019 Due to Increased Funding

MDP's fourth goal is to encourage economic development by enhancing historical resources and leveraging non-State investment. Under this goal, MDP has an objective to achieve a target non-State leverage ratio of 1:1 or greater for MHAA grant awards. In fact, a 1:1 match is required for all grantees, so the 1:1 match may be seen as a floor on top of which the overmatch for projects – the non-State support for the whole, beyond the grant funds and required matching funds – is a more appropriate goal.



As shown in **Exhibit 3**, MDP has met its 1:1 non-State leveraging ratio goal between fiscal 2008 and 2019. In particular, the ratio of non-State investment leveraged to MHAA funds increased from 1.8:1 in fiscal 2013 to 5.8:1 in fiscal 2016, which can be seen as the spike in funding leveraged in Exhibit 3. MDP notes that in fiscal 2016, seven capital grant projects – which are eligible for twice the level of funding as management grants and always account for the larger portion of the funds leveraged – leveraged a total of \$13,285,778 in matching funds. In addition, MDP notes that the largest overmatch was \$5,354,968 and that several projects had more than \$1 million in overmatch. For comparison purposes, in fiscal 2018, the largest overmatch was \$343,311. While MHAA does not control the applications submitted, the leveraging of non-State investment is an important component of the review criteria even though it relies heavily on the types of projects funded and the size of those projects. Fiscal 2019 saw the greatest number and amount of grants funded between fiscal 2008 and 2019 due to the additional \$3.0 million in transfer tax funding made available by Chapter 660 and 661 of 2017 (Program Open Space – Authorized Transfer to the Maryland Heritage Areas Authority Financing Fund – Increase). However, the ratio of non-State investment leveraged to MHAA funds was only 1.9:1, and it appears that the total amount of funding for grants is nearing the total amount requested.

**Exhibit 3**  
**Maryland Heritage Areas Authority Grants History**  
**Fiscal 2008-2019**  
**(\$ in Millions)**



Source: Maryland Department of Planning; Department of Legislative Services

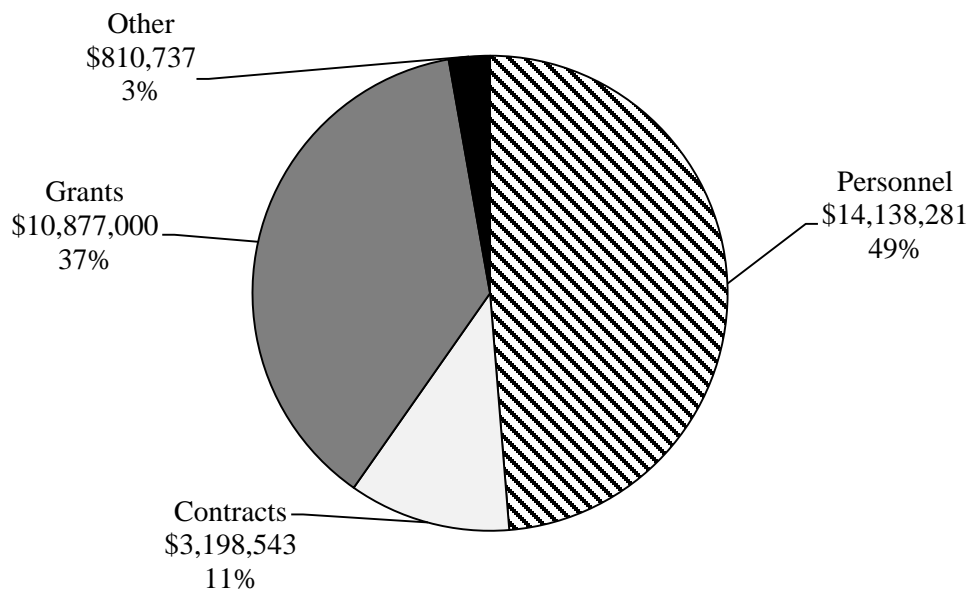
## Fiscal 2020 Allowance

### Overview of Agency Spending

MDP's main expenditure categories are personnel, grants, contracts, and other administrative funding. **Exhibit 4** reflects this breakdown. The personnel category includes the funding for both MDP's 130.0 regular positions and 22.06 contractual full-time equivalents (FTE) and accounts for \$14.1 million, or 49%, of MDP's fiscal 2020 allowance, including the general salary increase. The next largest expenditure category is grants, which accounts for \$10.9 million, or 37%, of the fiscal 2020 allowance. The two main grants, in turn, are the \$5.1 million in special funds for the MHAA grants for certified heritage areas within the Management Planning and Educational Outreach program and the \$5.0 million for the 2020 Census Grant Program in Planning Data and Research. The third largest category of spending is contracts. Contracts account for \$3.2 million, or 11%, of the fiscal 2020 allowance. The two main contracts are \$1.0 million in general funds in Planning Data and Research for MDP's census outreach program and \$1.0 million for Department of Information Technology (DoIT) service charges that are now being reflected in agency budgets. The other remaining expenditures in MDP's fiscal 2020 allowance reflect \$0.8 million, or 3%, of MDP's spending.

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**Exhibit 4**  
**MDP Main Expenditure Categories**  
**Fiscal 2020**



MDP: Maryland Department of Planning

Source: Department of Budget and Management; Department of Legislative Services

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## Proposed Budget Change

The MDP fiscal 2020 adjusted allowance increases by \$6,791,509, or 30.5%, relative to the fiscal 2019 working appropriation, as shown in **Exhibit 5**. The major change is an increase of \$5.0 million in general funds to provide grants to nonprofit organizations and local governments for census outreach as part of Chapter 18 of 2018 (2020 Census Grant Program – Establishment and Funding). Fiscal 2020 personnel changes and operating expenditures are discussed as follows.

### Exhibit 5 Proposed Budget Department of Planning (\$ in Thousands)

<b>How Much It Grows:</b>	<b>General Fund</b>	<b>Special Fund</b>	<b>Federal Fund</b>	<b>Reimb. Fund</b>	<b>Total</b>
Fiscal 2018 Actual	\$11,822	\$3,893	\$1,233	\$1,133	\$18,080
Fiscal 2019 Working Appropriation	12,348	7,190	1,501	1,205	22,243
Fiscal 2020 Allowance	<u>19,740</u>	<u>7,238</u>	<u>904</u>	<u>1,143</u>	<u>29,025</u>
Fiscal 2019-2020 Amount Change	\$7,392	\$48	-\$596	-\$62	\$6,782
Fiscal 2019-2020 Percent Change	59.9%	0.7%	-39.7%	-5.2%	30.5%

#### Where It Goes:

##### Personnel Expenses

General salary increase and fiscal 2019 one-time \$500 bonus.....	\$268
Retirement contribution.....	81
New planner III working with the Interagency Commission on School Construction.....	56
Employee and retiree health insurance.....	49
Internally transferred administrator I position funding increase for handling grants.....	47
Increments and other compensation.....	-64
Turnover adjustments.....	-186
Other fringe benefit adjustments.....	-14

##### Other Changes

##### 2020 Census

Census Grant Program.....	5,000
Advertising for an MDP-run census outreach program.....	1,039
Printing materials.....	215
Travel to conferences and training.....	103

##### Grants

Maryland Heritage Areas Authority.....	130
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**Where It Goes:**

Underrepresented communities .....	-50
Maryland Humanities Council .....	-100
Hurricane Sandy .....	-100
Federal Maritime Heritage grants.....	-425
<b><i>Other</i></b>	
DoIT service charges.....	904
Contractual FTEs increase by a net of 1.53.....	232
Vehicle replacement in Jefferson Patterson Park and Museum.....	-44
One-time Waterway Improvement Fund improvements to Jefferson Patterson.....	-99
DBM telecommunications.....	-131
Other.....	-129
<b>Total</b>	<b>\$6,782</b>

DBM: Department of Budget and Management

DoIT: Department of Information Technology

FTE: full-time equivalent

MDP: Maryland Department of Planning

Note: Numbers may not sum to total due to rounding.

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**Personnel**

The MDP overall personnel expenditures increase by \$237,395 in the fiscal 2020 adjusted allowance. The major change is a net increase of \$267,531 for salaries, which reflects an increase of \$332,642 for the general salary increase in fiscal 2020, which is reduced by \$65,111 for the one-time \$500 employee bonus in fiscal 2019.

Other personnel changes include an increase of \$55,837 for a new planner III position added in the Planning Coordination program to work with the Interagency Commission on School Construction, presumably because of the facility assessment requirements in Chapter 14 of 2018 (21st Century School Facilities Act). MDP notes that multiple agencies requested the position because there was a need for additional resources to handle the statutory requirements of the program and that the position will provide assistance with tasks such as reviewing State-rated capacities and educational facilities master plans. In addition, there is an increase of \$46,692 for an internally transferred administrator I position that will help handle Maryland Historical Trust (MHT) grants.

Turnover is increased, which is reflected as a reduction of \$185,789. MDP's turnover rate has been increased from 5.03% in fiscal 2019 to 6.77% in the fiscal 2020 allowance to reflect the length of position vacancies and the challenge of finding the most qualified candidates.

## **Other Changes**

Overall, the nonpersonnel portion of the MDP fiscal 2020 adjusted allowance increases by \$6,544,114. The major categories of change are the 2020 Census, grants, and other administrative expenses.

### **2020 Census**

Funding increases by \$6,357,199 for the 2020 Census preparations. This is comprised primarily of an increase of \$5,000,000 in general funds to provide grants to nonprofit organizations and local governments for census outreach as part of Chapter 18. Other changes include increases of \$1,038,847 in general funds for developing a census outreach program for hard-to-count areas, including advertising and accessing hard-to-reach populations to be administered by MDP, \$215,387 in general funds for printing materials related to the census and \$102,965 in general funds for travel to conferences and trainings for promoting a full and accurate count. The 2020 Census is discussed further as an issue in this analysis.

### **Grants**

Under grants, the largest change is an increase of \$130,000 in special funds for the MHAA grants. The additional funding reflects the anticipation of prior year grant reversions or cancellations. The total amount of funding in fiscal 2020 is \$5,230,000 for heritage area grants, \$300,000 for noncapital historic preservation grants as authorized by Chapter 10 of 2018 (Budget Reconciliation and Financing Act), and \$600,000 for administration as authorized in statute.

There are reductions for three of MDP's grants in fiscal 2020 from U.S. Department of the Interior – National Park Service funding in the Management Planning and Educational Outreach program. The National Marine Heritage Program funding is reduced by \$425,000 in federal funds due to the end of the grant, at least temporarily. There is a reduction of \$100,000 in federal funds due to the end of the Hurricane Sandy Relief Grant Program. Finally, there is a reduction of \$50,000 due to the end of Historic Preservation Fund Grants-in-Aid (Underrepresented Communities) funding that was used to document the women's suffrage movement in Maryland.

In addition to the federal grant decreases, there is a \$100,000 decrease in general funds for the grant to the Maryland Humanities Council in the Management Planning and Educational Outreach program. The council receives \$257,000 in fiscal 2020 comprised of \$150,000 in reimbursable funds authorized by Chapter 727 of 2016 (The Maryland International and Preakness Stakes Incentive Act) from the State Lottery Fund and \$107,000 in general funds.

### **Other**

There is a net increase of \$903,662 for DoIT service charges. DoIT is moving to a fee-for-service funding model, which results in declining DoIT general fund appropriations and increasing reimbursable fund appropriations. Overall, contractual FTEs increase by a net of 1.53. As shown in **Exhibit 6**, wages increase by \$212,750 for an overall increase of \$231,652 for contractual FTEs in fiscal 2020.

**Exhibit 6**  
**Changes in Full-time Equivalents**  
**Fiscal 2019-2020**

<u><b>Program</b></u>	<u><b>Position</b></u>	<u><b>FTEs</b></u>	<u><b>Amount</b></u>	<u><b>Description</b></u>
Planning Data and Research	Administrative Officer II	2.00	\$115,267	Administrative officer II supports census work.
Management Planning and Educational Outreach	Agency Grants Specialist II	1.00	53,431	Agency grants specialist II supports increased workload for more Maryland Heritage Areas Authority (MHAA) grants; processing grant agreements and payment requests, coordinating with grantees.
Management Planning and Educational Outreach	Administrator I	0.50	36,327	Administrator I supports the MHAA's increased workload.
Museum Services – Jefferson Patterson Park and Museum – Administration	Education and Exhibition Specialist Lead	1.00	41,104	Horticulturalist restores the Jefferson Patterson Park and Museum gardens and landscape.
Museum Services – Jefferson Patterson Park and Museum – Administration	Summer Student Worker	0.03	907	Summer student work provides educational assistance for summer programs.
Museum Services – Jefferson Patterson Park and Museum – Administration	Administrative Specialist II	-2.00	-55,945	Administrative specialist II assisted with project-based archaeological research, excavation of sites during Jefferson Patterson Park and Museum archeology public programs, guides volunteers, and assists with all fieldwork and special laboratory projects.
Preservation Services	Administrator I	1.00	48,739	Administrator I conducts community-based promotion of the Maryland Heritage Structure Rehabilitation Tax Credit Program and online social media promotion.

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<b><u>Program</u></b>	<b><u>Position</u></b>	<b><u>FTEs</u></b>	<b><u>Amount</u></b>	<b><u>Description</u></b>
Preservation Services	Research and Preservation Specialist II	-1.00	-40,470	Easement inspector monitored all easement properties and conducts onsite inspections for all historic preservation easement properties in Maryland.
Other		0.00	39,552	
<b>Total</b>		<b>1.53</b>	<b>\$212,750</b>	

FTE: full-time equivalent

Source: Department of Budget and Management

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## Issues

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### 1. Maryland Heritage Areas Spending Plan and Economic Impact Study

The 2018 *Joint Chairmen's Report* (JCR) included a request for a report on a MHAA Financing Fund spending plan. The report was requested to include the detailed spending plan for the MHAA Financing Fund for the fiscal 2018 actual, the fiscal 2019 working appropriation, and the fiscal 2020 allowance. The report was requested because the budget committees were concerned that there was an additional \$3.0 million in MDP's fiscal 2019 allowance for the MHAA Financing Fund without a detailed spending plan being available. The report was due with the fiscal 2020 budget submission but was not received in time for inclusion in this analysis.

#### Economic Impact Study

MDP completed an economic impact study of 12 of Maryland's 13 certified heritage areas using the IMPLAN input-output model in November 2017 and released the study in December 2018. This study updated an economic impact study last completed in 2003. The new study used financial data from fiscal 2015 to 2017 and visitor data from fiscal 2010 to 2014 to inform the economic impact analysis, so the most recent heritage area – Patapsco Valley Heritage Area – was excluded from the analysis due to insufficient visitor and financial data.

The results of the economic impact study are reflected in **Exhibit 7**. The total project grant amount – management grants for operations were not included – provided to the certified heritage areas over the time period was \$4,788,812. This grant amount leveraged \$7.78 relative to \$37,261,753 in total development expenditures, provided a return on investment of \$66.85 from all direct, indirect, and induced expenditures during project development and operation phases based on \$320,129,351 in total expenditures and provided a return on investment of \$4.45 from tax receipts including all State and local taxes.

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**Exhibit 7**  
**Financial Impact of Maryland Heritage Area Project Grants**  
**Fiscal 2015-2017**

<u>Variable</u>	<u>Variable Amount</u>	<u>Total Grant Amount</u>	<u>Leverage Ratio/ Return on Investment</u>
Total Development Expenditures	\$37,261,753	\$4,788,812	\$7.78
Total Expenditures	320,129,351	4,788,812	66.85
Total Tax Receipts	21,321,987	4,788,812	4.45

Source: Maryland Department of Planning

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## **Program Impact Study**

MDP notes that it has convened a working group of stakeholders to develop a template for a program impact study that will look beyond the economic impact of certified heritage areas. This expanded view will address more qualitative factors such as quality of life and the preservation of historic resources and provide for a framework in which data can continue to be collected and analyzed after the study is completed. MDP initially estimated that a Request for Proposals (RFP) for this program impact study might go out as early as February 2019.

**The Department of Legislative Services (DLS) recommends that MDP comment on why the report on a MHAA Financing Fund spending plan was not provided with the fiscal 2020 budget submission. In addition, DLS recommends that MDP comment on the requirements for and status of the RFP for a program and economic impact study for the Maryland certified heritage areas.**

## **2. Reinvest Maryland Will Be An Integral Part of the State Development Plan But Has No Metrics**

MDP worked with State agencies, local governments, private industry, and the general public to develop the State's first comprehensive development plan, known as PlanMaryland. PlanMaryland was a policy framework for growth and preservation in the State and a blueprint to help guide State agencies in their decision making on programs and funding for growth and preservation. PlanMaryland proposed focusing State financial assistance in specific geographic areas and aligning State regulations and procedures. The plan called for targeting State financial assistance to specific places that were designated for growth, revitalization, land preservation and resource conservation, and maintaining public services and quality of life.

### **A Better Maryland**

Executive Order 01.01.2017.18 – State Development Plan rescinded Executive Order 01.01.2011.22 – PlanMaryland. The new executive order acknowledged that PlanMaryland is now more than five years old and is due for an update, which should involve local jurisdiction input and not be considered as usurping local government comprehensive plans. As a result, MDP is charged, in coordination with the Smart Growth Subcabinet and the Maryland Sustainable Growth Commission, local governments, and other stakeholders, with preparing a revised State development plan to replace PlanMaryland to be prepared on or before July 1, 2019.

This new State development plan will have two components:

- ***State Development Plan Guidelines:*** to reflect the purpose and objectives of the plan, including collaborative strategies; and

- ***State Planning Digital Resource Center:*** to organize State and local plans and related planning resources in order to provide for transparency in the planning and coordinating of responsible growth and resource protection.

MDP has completed two rounds of listening sessions. The first round was held from roughly November 2017 to June 2018 and was held with all 24 jurisdictions and consisted of three meetings with different stakeholders for each jurisdiction. These meetings helped to develop four main planning topics (under which there are subtopics): environment; community development; economic development; and collaboration/coordination. Each of the topics, in turn, have on average five associated strategies.

The second round of listening sessions was held from October 2018 to January 2019. The second round of listening sessions consisted of 12 regional sessions held from October to December 2018 and 2 more sessions held online in early January 2019. All of this information will be compiled within the next month or so to determine priority rankings. These priorities will then inform the remainder of the State Development Plan, which includes required components noted in State Finance and Procurement Article Sections 5-601 to 5-615. MDP notes that a completed draft of A Better Maryland is anticipated in late spring 2019 for public review in preparation for final plan submission to the Governor by July 1, 2019.

## **Reinvest Maryland**

The Governor Martin J. O'Malley Administration requested that the Maryland Sustainable Growth Commission make recommendations to accelerate infill, redevelopment, and revitalization efforts, given that this will not happen without a deliberate effort. The commission published a report in September 2014 based on this charge. In the report, infill was defined as development of vacant parcels within previously built areas. Redevelopment was defined as building or rebuilding to a higher and better use for the community on parcels previously developed. Revitalization was defined as instilling new life and vitality into a community through infill or redevelopment or other activities (e.g., building reuse and renovations, façade improvements, beautification efforts, small business loans, and special events).

Reinvest Maryland has now moved on to an online toolkit for communities to use as a guide for accelerating infill, redevelopment, and revitalization efforts. MDP notes that Reinvest Maryland is an integral part of the A Better Maryland plan and is a model for how the plan could be implemented. However, there currently are no metrics for measuring reinvestment in Maryland despite the guidance provided in the original Reinvest Maryland document to measure the number of vacant parcels within previously built areas and the associated uses to which these vacant parcels are put.

**DLS recommends that MDP comment on what metrics are appropriate for measuring reinvestment progress; whether the number of vacant parcels within previously built areas, current zoning, and tax base information could be used to derive baselines for infill, redevelopment, and revitalization; and what actions the State will take to influence these metrics.**

### **3. 2020 Census Outreach Efforts Well Funded in Fiscal 2020**

The decennial process of doing a complete census of the U.S. population – 2020 Census – is a little more than a year away with forms to be filled out either in paper form or online and submitted on April 1, 2020. The U.S. Census’s goal is to count everyone once, only once, and in the right place. The 2020 Census, in turn, will inform both federal aid to Maryland and its jurisdictions and legislative redistricting under the requirement in Article III of the Maryland Constitution for the Governor to prepare a plan for legislative districts and present the plan to the General Assembly. MDP’s fiscal 2020 funding for the 2020 Census is focused on the 2020 Census Grant Program established by Chapter 18 and MDP’s own census outreach efforts.

#### **2020 Census Grant Program**

The 2020 Census Grant Program was created to issue matching grants to local governments and nonprofit organizations to support the accurate counting of the population of the State and its local jurisdictions and the collection of basic demographic and housing information of the population of the State for the 2020 Census. For fiscal 2020, the Governor was required to include \$5.0 million in general funds for the 2020 Census Grant Program; matching grants are to be awarded by a panel created for this purpose. A local government or nonprofit organization may apply to the grant panel for matching funds by March 1, 2019, and the grant panel must award matching funds by April 1, 2019, in an amount determined by the grant panel, to local governments and nonprofit organizations for approved applications. The grant panel must notify local governments of the grant program, and it is the intent of the General Assembly that local governments notify nonprofit organizations within the jurisdiction of the local government.

MDP notes that the grant panel held its first meeting on January 18, 2019, and that the criteria to be used for evaluating applications is being developed by panel members. Given the matching requirement, the grants could provide at least a \$10.0 million enhancement to support census outreach efforts.

#### **MDP’s Outreach Program**

MDP’s outreach program is less well-defined. There is \$1.0 million in general funds in the fiscal 2020 allowance for this purpose. MDP notes that its overall 2020 census operation includes a combination of regular and contractual employees, including 1 director, 1 associate director, 3 outreach positions, and 1 administrative position, and that there are staff in MDP’s State Data Center – the official liaison to the U.S. Census Bureau – and other MDP units that will contribute to the processing and analyzing of census data. The challenge is to build partnerships between community stakeholders in order to reach hard-to-count populations and stress the importance of the census. Therefore, marketing the census will be done via traditional media, social media, and the recruitment of validators within the low response score communities. The overall goal is to increase the initial participation rate of 76% in the 2000 and 2010 Censuses by 3 to 5 percentage points in the 2020 Census. **DLS recommends that MDP comment on the synergy between the 2020 Census Grant Program dedicated to matching grants for targeted efforts by nonprofits and local governments and its own statewide census outreach efforts.**

#### **4. Staffing Shortage Shifts Maryland Historical Trust's Historic Easement Program Policies**

The 2018 JCR included a request for a report from MDP (completed by MHT), the Department of Budget and Management, and preservation advocates identifying a sustainable strategy for the long-term administration of the historic preservation easement program. The sustainable strategy was requested to include suggestions for the following: (1) new policies on when to accept easements and for what period of time; (2) recommendations for staffing of the program and/or administration of the program in partnership with nonprofit partners or easement holding sister agencies (*e.g.*, the Maryland Environmental Trust, the Maryland Agricultural Land Preservation Foundation (MALPF), and others) in order to reduce State expense; and (3) recommendations for the potential dissolution or modification of easements that are no longer in the best interest of the State or historic preservation.

The submitted report reflects the recommendations concerning new easement acceptance policies, staffing, easement program administration as a partnership, and the dissolution or modification of existing easements. In general, MHT notes that it does not have the staffing to adequately provide support for the number of easements currently scheduled to be received by law or policy and, thus, MHT is shifting from requiring permanent historic easements to term easements. This shift is in line with the postures of Pennsylvania and West Virginia but would be a shift away from the perpetual easement requirement still retained by Virginia. The report recommendations are as follows.

- ***New Easement Acceptance Policies:*** MHT modified its easement acceptance policies after the October 2018 MHT board meeting. The policies are tailored to the five ways that MHT acquires historic preservation easements: gift easements; easements as conditions of grants and loans administered by MHT; easements as conditions of State bond bills; easements as conditions of State or federal Section 106 action; and easements as conditions of federal funding. In general, MHT will no longer accept permanent easements but will instead accept term easements, which reduces the workload associated with inspecting easements and providing technical support. **Exhibit 8** shows MHT's new easement acceptance policies.
- ***Staffing:*** MHT's current preservation easement program staff include 1 full-time regular easement administrator, 1 full-time contractual easement inspector, and 1 part-time contractual easement processor. Staffing turnover and long-term vacancies have challenged the consistency of the preservation easement program's work. Reducing turnover would improve outcomes.
- ***Easement Program Administration as a Partnership:*** Partnerships between MHT, the Maryland Environmental Trust, and MALPF would not generate program efficiencies because the Maryland Environmental Trust and MALPF easements are focused on protection of farmland and woodland from development. In contrast, MHT easements are focused on preserving the integrity of historic buildings and archaeological sites. Partnerships with nonprofits or volunteers are also unlikely to generate program efficiencies due to the lack of experience and resources marshalled by nonprofits and volunteers and the lack of dedicated funding for MHT to support the nonprofits and volunteers.

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**Exhibit 8**  
**Maryland Historical Trust Easement Acceptance Policies**  
**December 2018**

<b><u>Method Received</u></b>	<b><u>Subcategory</u></b>	<b><u>Policy</u></b>
Gift Easements		Require permanent easements but only on properties that are (1) individually listed, or individually eligible for listing, in the National Register of Historic Places and (2) of a type not adequately represented in the Maryland Historic Trust's (MHT) easement portfolio.
Easements as Conditions of Grants and Loans Administered by MHT	MHT Historic Preservation Capital Grants	Require only term easements that are tied to the amount of funding received; each \$5,000, or portion thereof, in funding will result in 1 year of easement term, with a minimum easement term of 15 years.
	MHT Historic Preservation Capital Loans	Require only term easements with an easement term ending 5 years after the date of loan payoff or 15 years from recordation, whichever is longer
	African American Heritage Preservation Program Grants	Require only term easements with requirements the same as those for MHT Capital Grants.
	Maryland Heritage Areas Authority (MHAA) Grant Program	Require term easements if the property is individually listed or individually eligible for listing in the National Register of Historic Places with easement term requirements being the same as those for MHT Capital Grants.
	MHAA Loan Program	Require term easements if the property is individually listed or individually eligible for listing in the National Register of Historic Places with easement requirements being the same as MHT Historic Preservation Loans.
Easements as Conditions of Bond Bills		Propose changes to the easement requirement language in the bond bill to permit acceptance of a term easement rather than mandating a perpetual easement in all instances, with requirements being the same as MHT Capital Grants.
Easements as conditions of State or Federal Section 106 Action	Mitigation of a State or Federally Funded Project	Do not accept easements for mitigation of an adverse effect since other means of mitigating or avoiding an adverse effect are employed.

<u>Method Received</u>	<u>Subcategory</u>	<u>Policy</u>
	State or Federal Property Transfer	Request perpetual easements as mitigation for the adverse effect of transfer out-of-state or federal government ownership only when the historic property is individually listed or individually eligible for listing in the National Register.
Easements as Conditions of Federal Funding		Require either term or perpetual easements per the requirements of the federal funding source.

Source: Maryland Department of Planning

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- ***Dissolution or Modification of Existing Easements*** – MHT noted that it will consider the dissolution or modification of existing easements on a case-by-case basis immediately following the publication of the report. Factors to be considered include existing property protections, how the easements were acquired, and the easement coverage versus the property significance, among others.

**DLS recommends that MHT comment on whether the shift from perpetual to term historic easements, along with other historic preservation tools, allows Maryland to secure its heritage and if not, then why MHT has not reclassified or transferred existing vacant positions or asked for new positions.**

## **5. Several Annual Reports Required in Statute Have Not Been Submitted**

MDP has not submitted several reports that are required by statute and that inform this analysis. The reports are as follows.

- ***Smart Growth Indicators:*** Land Use Article Section 1-208(e) requires MDP to submit smart growth measures and indicators on or before January 1 of each year.
- ***Smart Growth Implementation:*** State Government Article Section 9-1406(i) requires MDP to submit an annual report on the implementation of the State’s smart growth policy.
- ***Division of Historical and Cultural Programs:*** State Finance and Procurement Article Sections 5A-327(m), 5A-328(m), and 5A-353(c) require MDP to submit an annual report on the MHT Loan Program, MHT Grant Program, and MHT Museum Assistance Program on or before December 31 of each year, respectively.

**DLS recommends that MDP comment on why these annual reports have not been submitted.**

## ***Operating Budget Recommended Actions***

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1. Adopt the following narrative:

**Census Outreach Efforts Report:** The fiscal 2020 budget includes \$5.0 million in general funds for the 2020 Census Grant Program created by Chapter 18 of 2018 (2020 Census Grant Program – Establishment and Funding) and an additional \$1.0 million for the Maryland Department of Planning (MDP) to conduct statewide outreach on census preparation. The committees are concerned that there is a substantial amount of funding for the two programs that may be duplicative and that there is a lack of specificity on how the \$1.0 million in outreach program funding will be managed by MDP. Therefore, the committees request that MDP submit a report on both the 2020 Census Grant Program and the MDP outreach program. The report shall include the following:

- **2020 Census Grant Program:** the number of applicants, the amount of funding requested, the criteria under which projects were chosen, the number of applicants awarded funding, the amount of funding allocated, and the estimated outcomes from the projects selected for funding in terms of outreach to hard-to-count communities; and
- **MDP Outreach Program:** the types of outreach conducted, the amount of funding expended for each type of outreach, and the expected outcomes from the outreach conducted in terms of outreach to hard-to-count communities.

The report is requested to be submitted with the fiscal 2021 budget submission.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Census outreach efforts report	MDP	Fiscal 2021 budget submission

## ***Updates***

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### **1. Non-Capital Grant Program Funding Allocated for Fiscal 2019**

MDP’s fiscal 2019 working appropriation includes \$300,000 in transfer tax special funds for the Non-Capital Grant Program per authorization in Chapter 10 of 2018 (Budget Reconciliation and Financing Act). Funding of \$200,000 in general funds was provided in fiscal 2018 – the first time funding had been provided since fiscal 2012. The stated purpose of the Non-Capital Grant Program is to identify, document, and preserve buildings, communities, and sites of historical and cultural importance to the State. MDP received more than \$836,000 in requests and awarded the full \$300,000 appropriation. **Exhibit 9** shows the allocation of grant funding, which ranged from \$6,000 to \$55,000.

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#### **Exhibit 9 Non-Capital Grant Program Allocation Fiscal 2019**

<b><u>Recipient</u></b>	<b><u>County</u></b>	<b><u>Description</u></b>	<b><u>Grant Amount</u></b>
The Archeological Society of Maryland, Inc.	To be determined	This grant will partially fund the 2019 Field Session in Maryland Archeology at an as-yet undetermined site in spring 2019. The field session provides a hands-on opportunity for laypersons to learn archeological methods under the direction of professional archeologists.	\$15,000
Park Heights Renaissance, Inc.	Baltimore City	Project includes the preparation of a National Register of Historic Places nomination for the Park Heights Historic District in the City of Baltimore.	20,000
Chesapeake Bay Watershed Archaeological Foundation, Inc.	Dorchester	This project involves conducting a coastal shoreline archeological survey within the Fishing Bay watershed and Nanticoke River mouth in southern Dorchester County. The survey will be carried out along 86 linear miles of coastline to update existing site records and record newly discovered cultural resources.	15,000
Hyattsville Community Development Corporation	Prince George’s	The project includes comprehensive documentation of restrictive deed covenants historically employed in Hyattsville and the development of educational and outreach programs that incorporates the research.	21,000



*D40W01 – Department of Planning*

<u>Recipient</u>	<u>County</u>	<u>Description</u>	<u>Grant Amount</u>
Historic Sotterley, Inc.	St. Mary's	Historic Sotterley, a National Historic Landmark, proposes to conduct an archeological survey on the historic property to assess, expand, and update its inventory of archeological resources. The Sotterley property has expanded in size since the last archeological survey with 52 acres now completely uninventoried.	30,000
John Wesley Preservation Society, Inc.	Talbot	This project includes an archeological survey for planning purposes prior to construction at the John Wesley Methodist Episcopal Church in Talbot County as well as costs associated with development and installation of interpretive signage and development of a virtual tour and oral history website.	6,000
The Lost Towns Project, Inc.	Anne Arundel and Prince George's	An interdisciplinary team from the Lost Towns Project, Anne Arundel County, the Maryland-National Capital Park and Planning Commission, and Washington College will undertake Phase I of a three-year/multi-phase project to survey and evaluate the prehistoric archeological resources of the Jug Bay Complex. This grant will contribute to a planned National Register of Historic Places nomination in year three.	43,000
Maryland Department of Natural Resources	Anne Arundel, Baltimore, Cecil, Frederick, Howard, and Washington	The project involves a survey of four Maryland State parks spanning six counties. Work includes the preparation of Maryland Inventory of Historic Properties and Determination of Eligibility forms plus additional historic context related to park development in the New Deal era.	50,000
Somerset County Historical Trust, Inc.	Dorchester and Somerset	Project work includes the completion of an historic sites survey of threatened sites in Somerset and Dorchester counties (Phase II). Phase I of the survey project was funded with fiscal 2018 non-capital grant funds.	45,000
The Society for the Preservation of Maryland Antiquities, Inc.	Statewide	This project will develop an historic context for lesbian, gay, bisexual, transgender, and queer history in Maryland and create a digital map and accompanying database of related sites. The work includes the preparation of one National Register of Historic Places nomination and recommendations for future nominations, amendments, and Maryland Inventory of Historic Properties forms. Public tours of sites and lectures will highlight the research efforts.	55,000
<b>Total</b>			<b>\$300,000</b>

Source: Maryland Department of Planning

**Appendix 1**  
**Current and Prior Year Budgets**  
**Maryland Department of Planning**  
**(\$ in Thousands)**

	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
<b>Fiscal 2018</b>					
Legislative Appropriation	\$12,787	\$4,362	\$1,585	\$1,236	\$19,970
Deficiency/Withdrawn Appropriation	-153	-12	-12	0	-177
Cost Containment	-203	0	0	0	-203
Budget Amendments	-11	0	47	99	134
Reversions and Cancellations	-598	-457	-386	-203	-1,644
<b>Actual Expenditures</b>	<b>\$11,822</b>	<b>\$3,893</b>	<b>\$1,233</b>	<b>\$1,133</b>	<b>\$18,080</b>
<b>Fiscal 2019</b>					
Legislative Appropriation	\$12,096	\$7,179	\$1,488	\$1,106	\$21,869
Budget Amendments	185	6	7	99	296
<b>Working Appropriation</b>	<b>\$12,280</b>	<b>\$7,185</b>	<b>\$1,495</b>	<b>\$1,205</b>	<b>\$22,165</b>

Note: The fiscal 2019 appropriation does not include deficiencies, a one-time \$500 bonus, or general salary increases. Numbers may not sum to total due to rounding.

## **Fiscal 2018**

The general fund appropriation decreased by \$965,064. The changes are as follows.

- **Deficiency/Withdrawn Appropriation:** A decrease of \$152,918 is due to the withdrawn appropriation for health insurance savings in Section 19 of the fiscal 2019 Budget Bill.
- **Cost Containment:** A decrease of \$203,121 is due to cost containment. The cost containment was allocated through the September 6, 2017 Board of Public Works reductions that reduced spending on salaries from 1 position vacant in Research Survey and Registration (\$86,121); salaries by holding 1 position vacant in Planning Data and Research (\$77,000); operations costs, including equipment repair, maintenance, and contractual services in Museum Services (\$30,000); office supplies in the Operations Division (\$5,000); and motor vehicle fuel and oil due to the addition of fuel efficient vehicles in Planning Coordination (\$5,000).
- **Budget Amendments:** A decrease of \$11,102 is due to a budget amendment that realigned funds for telecommunications expenditures as authorized by Section 17 of the fiscal 2018 Budget Bill.
- **Reversions:** A decrease of \$597,923 is as a result of positions being held vacant to meet turnover and required reversions in Planning Coordination (\$287,786), the Operations Division (\$234,327), the State Clearinghouse (\$73,428), and other programs (\$2,382).

The special fund appropriation decreased by \$468,685. The changes are as follows.

- **Deficiency/Withdrawn Appropriation:** A decrease of \$11,961 is due to the withdrawn appropriation for health insurance savings in Section 19 of the fiscal 2019 Budget Bill.
- **Cancellations:** A decrease of \$456,724 is due to cancellations in the Museum Services program due to lower revenue attainment and thus 7 contractual full-time equivalents (FTE) being vacant for all or part of the year (\$276,580); the Management Planning and Educational Outreach program due to unspent funding for Maryland Heritage Areas Authority grants, 1 vacant contractual FTE, lower printing and travel costs, and other general operating reductions (\$131,878); the Research Survey and Registration program due to a delay in approval to fill 1 contractual FTE as part of the T-21 grant administered by the State Highway Administration (SHA), which had a budgeted match (\$35,656); and the Preservation Services program due to reduced operating expenses including salary costs related to health insurance (\$12,610).

The federal fund appropriation decreased by \$352,306. The changes are as follows.

- **Deficiency/Withdrawn Appropriation:** A decrease of \$12,465 is due to the withdrawn appropriation for health insurance savings in Section 19 of the fiscal 2019 Budget Bill.

#### *D40W01 – Department of Planning*

- **Budget Amendments:** An increase of \$46,558 due to a budget amendment that allocated funds to the Planning Coordination program for program management from the U.S. Environmental Protection Agency's Environmental Policy and Innovation Grants.
- **Cancellations:** A decrease of \$386,399 is due to cancellations in the Management Planning and Educational Outreach program due to lower expenditures than anticipated for the U.S. Department of the Interior National Park Service's National Maritime Heritage Grants as a result of a delay in grant awards (\$352,480), and the Research Survey and Registration program due to delays in approvals to recruit for and fill positions funded by the U.S. Department of the Interior National Park Service's Historic Preservation Fund Grants-In-Aid funding (\$33,918), and one other program (\$1).

The reimbursable fund appropriation decreased by \$103,711. The changes are as follows.

- **Budget Amendments:** An increase of \$98,998 due to budget amendments transferring federal funds from the Military Department to the Maryland Department of Planning's (MDP) Research Survey and Registration program as part of a Memorandum of Understanding to procure the services of a firm to provide restoration and repair services in order to restore the World War I Memorial located above the entrance to the Fifth Regiment Armory in Baltimore City (\$90,000) and transferring funds from the Maryland Tax Court to the Planning Data and Research program for contractual FTE salaries related to supporting database and website hosting (\$8,998).
- **Cancellations:** A decrease of \$202,709 is as a result of cancellations in the Research Survey and Registration program as a result of delays in hiring for the 2 contractual FTEs funded by SHA and lower conservation costs for the Fifth Regiment Armory funded by the Military Department (\$95,051), the Museum Services program due to the Jefferson Patterson Park and Museum not receiving a grant from SHA and thus positions could not be filled (\$70,933), the Management Planning and Educational Outreach program due to funding not being received from the Department of Natural Resources' (DNR) Resource Assessment Service and thus 1 contractual FTE was not filled (\$24,597), and the Planning Coordination program (\$12,128).

## **Fiscal 2019**

The MDP general fund appropriation increases by \$184,510 due to budget amendments. The budget amendments transfer funding from the State Reserve Fund to MDP's Management Planning and Educational Outreach program for the grant to the Maryland Humanities Council (\$100,000) and allocate funding for the cost of living adjustment authorized in the fiscal 2019 Budget Bill (\$84,510).

The MDP special fund appropriation increases by \$5,918 due to a budget amendment that allocates funding for the cost-of-living adjustment (COLA) authorized in the fiscal 2019 Budget Bill.

The MDP federal fund appropriation increases by \$6,723 due to a budget amendment that allocates funding for the COLA authorized in the fiscal 2019 Budget Bill.

***D40W01 – Department of Planning***

The MDP reimbursable fund appropriation increases by \$99,000 due to a budget amendment that transfers funding from DNR's Waterway Improvement Program to the Museum Services program to remove pilings formerly supporting a pier destroyed by Hurricane Isabel, build a new pier and walkway to provide access to Jefferson Patterson Park and Museum and provide dockage for recreational vehicles, and build an Americans with Disabilities Act-accessible floating launch for use by canoeists and kayakers.

**Appendix 2**  
**Object/Fund Difference Report**  
**Department of Planning**

<u>Object/Fund</u>	<u>FY 18 Actual</u>	<u>FY 19 Working Appropriation</u>	<u>FY 20 Allowance</u>	<u>FY 19 - FY 20 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	129.00	129.00	130.00	1.00	0.8%
02 Contractual	13.23	20.53	22.06	1.53	7.5%
<b>Total Positions</b>	<b>142.23</b>	<b>149.53</b>	<b>152.06</b>	<b>2.53</b>	<b>1.7%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 11,538,313	\$ 12,720,882	\$ 12,690,746	-\$ 30,136	-0.2%
02 Technical and Special Fees	463,765	870,399	1,102,051	231,652	26.6%
03 Communication	147,519	187,879	52,685	-135,194	-72.0%
04 Travel	97,249	90,370	197,035	106,665	118.0%
06 Fuel and Utilities	272,235	290,713	282,990	-7,723	-2.7%
07 Motor Vehicles	55,698	89,461	46,223	-43,238	-48.3%
08 Contractual Services	1,807,105	1,165,210	3,198,543	2,033,333	174.5%
09 Supplies and Materials	143,001	171,436	171,004	-432	-0.3%
10 Equipment – Replacement	29,507	6,000	6,000	0	0%
11 Equipment – Additional	6,920	0	3,975	3,975	N/A
12 Grants, Subsidies, and Contributions	3,467,600	6,521,000	10,877,000	4,356,000	66.8%
13 Fixed Charges	51,174	51,749	50,825	-924	-1.8%
<b>Total Objects</b>	<b>\$ 18,080,086</b>	<b>\$ 22,165,099</b>	<b>\$ 28,679,077</b>	<b>\$ 6,513,978</b>	<b>29.4%</b>
<b>Funds</b>					
01 General Fund	\$ 11,821,952	\$ 12,280,301	\$ 19,433,841	\$ 7,153,540	58.3%
03 Special Fund	3,893,027	7,185,193	7,220,711	35,518	0.5%
05 Federal Fund	1,232,517	1,494,879	881,925	-612,954	-41.0%
09 Reimbursable Fund	1,132,590	1,204,726	1,142,600	-62,126	-5.2%
<b>Total Funds</b>	<b>\$ 18,080,086</b>	<b>\$ 22,165,099</b>	<b>\$ 28,679,077</b>	<b>\$ 6,513,978</b>	<b>29.4%</b>

Note: The fiscal 2019 appropriation does not include deficiencies, a one-time \$500 bonus, or general salary increases. The fiscal 2020 allowance does not include general salary increases.

**Appendix 3  
Fiscal Summary  
Department of Planning**

<b><u>Program/Unit</u></b>	<b><u>FY 18 Actual</u></b>	<b><u>FY 19 Wrk Approp</u></b>	<b><u>FY 20 Allowance</u></b>	<b><u>Change</u></b>	<b><u>FY 19 - FY 20 % Change</u></b>
01 Operations Division	\$ 2,586,893	\$ 2,859,216	\$ 3,791,503	\$ 932,287	32.6%
02 State Clearinghouse	446,235	534,869	483,695	-51,174	-9.6%
03 Planning Data and Research	2,443,574	2,590,148	8,974,967	6,384,819	246.5%
04 Planning Coordination	2,282,547	2,328,501	2,350,681	22,180	1.0%
07 Management Planning and Educational Outreach	5,030,445	8,007,162	7,599,647	-407,515	-5.1%
08 Museum Services	2,609,446	3,023,789	2,751,901	-271,888	-9.0%
09 Research Survey and Registration	1,297,886	1,383,828	1,328,842	-54,986	-4.0%
10 Preservation Services	1,383,060	1,437,586	1,397,841	-39,745	-2.8%
<b>Total Expenditures</b>	<b>\$ 18,080,086</b>	<b>\$ 22,165,099</b>	<b>\$ 28,679,077</b>	<b>\$ 6,513,978</b>	<b>29.4%</b>
General Fund	\$ 11,821,952	\$ 12,280,301	\$ 19,433,841	\$ 7,153,540	58.3%
Special Fund	3,893,027	7,185,193	7,220,711	35,518	0.5%
Federal Fund	1,232,517	1,494,879	881,925	-612,954	-41.0%
<b>Total Appropriations</b>	<b>\$ 16,947,496</b>	<b>\$ 20,960,373</b>	<b>\$ 27,536,477</b>	<b>\$ 6,576,104</b>	<b>31.4%</b>
Reimbursable Fund	\$ 1,132,590	\$ 1,204,726	\$ 1,142,600	-\$ 62,126	-5.2%
<b>Total Funds</b>	<b>\$ 18,080,086</b>	<b>\$ 22,165,099</b>	<b>\$ 28,679,077</b>	<b>\$ 6,513,978</b>	<b>29.4%</b>

Note: The fiscal 2019 appropriation does not include deficiencies, a one-time \$500 bonus, or general salary increases. The fiscal 2020 allowance does not include general salary increases.